



City of Ann Arbor

301 E. Huron St.
Ann Arbor, MI 48104
<http://a2gov.legistar.com/Calendar.aspx>

Meeting Minutes

Energy Commission

Tuesday, May 10, 2016

6:00 PM

Larcom City Hall, 301 E Huron St,
Second floor, City Council Chambers

CALL TO ORDER

Appleyard called the meeting to order at 6:02 PM

ROLL CALL

Lenski and Hookham arrived after roll call.

Present: 11 - Charles Hookham, Kim Wolske, Brigit Macomber, Mike Shriberg, Mark Clevey, Shoshannah Lenski, Stephen Raiman, Wayne Appleyard, Kenneth J. Wadland, Noah Levin, and Chip Smith

APPROVAL OF AGENDA

Appleyard's motion to approve the agenda was moved by Clevey and seconded by Levin, and approved unanimously.

APPROVAL OF MINUTES

Appleyard's motion to approve the April meeting minutes was moved by Wadland and seconded by Shriberg, and approved unanimously.

16-0681

Minutes of the April 12, 2016 Ann Arbor Energy Commission Meeting

Attachments: Energy Commission Minutes 4-12-16.pdf

Approved by the Commission and forwarded to the City Council due back on 6/20/2016

PUBLIC INPUT

No public comment.

ENERGY REPORT - NEWS FROM THE ENERGY OFFICE AND COMMISSIONERS

Geisler: The renewable energy fair for Michigan is June 24th -25th. The fair is hosted by the GLREA at the Ingham County fairgrounds. The fair focuses on renewable energy, efficiencies, and sustainability. (Ann Arbor) Hands-on Museum will be in attendance with the wind grant demonstration devices and exhibits to get feedback on design improvements. The 2016 Michigan Green Community Conference is taking place June 15th in Lansing. The conference assists communities in starting energy/sustainability commissions as well as getting involved with current green projects. Ann Arbor

helped start the network through the state energy office, which is now being hosted by the MML.

A Combined Heat and Power (CHP) event took place at Oakland University earlier today. Geisler expressed interest in the materials that came out of the event.

Green Fair is a local event taking place June 10th from 6-9 pm. Geisler asked anyone interested in tabling the event to contact him.

Commissioner Appleyard: The Michigan Senate Energy and Technology subcommittee was currently considering Bill 438. Bill 438 would get rid of net metering, which Appleyard explained would create a negative impact on the number of solar installations in the community. Appleyard asked all in attendance to contact individuals, whose information is on the subcommittee's website. Appleyard proceeded to list all those in the subcommittee: Mike Nofs, John Proos, Ken Horn, Tonya Schuitmaker, Joe Hune, Mike Shirkey, Dale Zorn, Hoon-Yung Hopgood, David Knezek, Steven Bieda.

16-0701

Resolution Opposing Oil Transport Through the Enbridge Energy Line 5 Pipeline

Commissioner Shriberg: The pipeline carries both oil and natural gas through Wisconsin and the Upper Peninsula, but the resolution specifically addresses the proposal to send oil through the straits of Mackinaw. The straits are not an appropriate place for the pipeline owned by Enbridge Energy to transport oil, as the pipeline is beyond its designed life of 50 years (closer to 63 years), and the lakes of Michigan are too valuable to leave to chance in the case of a spill. A study by the University of Michigan found that 700 miles of shoreline and 17,000 square miles of open water are at risk if there is an oil spill in this area. Passing the resolution would make Ann Arbor one of several communities, located throughout the State of Michigan, to pass a resolution against transporting oil through the pipeline. Shriberg also disclosed that he worked on the project that led up to this resolution in his daytime job with National Wild Life Federation.

The following questions concerned the resolution:

Commissioner Clevey asked if the resolution would effectively shut down the pipeline. And if not, couldn't a pipeline that is 15 years beyond its designed life still cause problems regardless of what it is carrying?

Commissioner Shriberg answered that natural gas would still flow through the pipelines up to the Upper Peninsula but the oil would flow on an alternative southern route to Sarnia. He added, a natural gas leak would create problems, but not on the same level as an oil spill. A big risk, especially considering 75-90% of the oil is not even used in the state of Michigan.

Commissioner Lenski thought that the move to transport oil through this pipeline had been to avoid using tankers. So what would the alternative be? Commissioner Shriberg answered that oil pipelines have the lowest risk when it comes to transporting oil, but while Enbridge has suggested it would use tankers, commissioner Shriberg argued that there is no infrastructure to do so. Instead, there are other pipelines that have the capacity to transport the oil for local use and other pipelines could be constructed for international (Canadian) use.

Commissioner Wadland asked if an alternative pipeline would go north

through Georgian Bay and down through Canada and where the oil was originating from.

Commissioner Shriberg answered that he sits on the state's pipeline safety board and they are looking at alternatives. The oil originates from Canada's tar sands with a smaller amount coming from the US. With the current political climate in Canada, it is unlikely that the pipeline would go through a northern route but instead would cross through St. Marys river. The St. Marys is much safer, since it was recently rebuilt to include a concrete incasing. In contrast, Shriberg cited a University of Michigan study that showed differing currents in lower, middle, and upper sections of the straits of Mackinaw, suggesting complications if an oil spill were to occur.

Commissioner Raiman commented that he wanted to support the resolution but, after looking for potential problems with the pipeline with his expertise in material science, he came up empty handed. He argued that the lack of oxygen in deep water, a ceramic mesh coating, and the pipeline being cathodically protected, all minimizes the chance of corrosion. He also added that the pipeline only had a 20% decrease in wall thickness after 60 years, with negligible signs of cracking; all within design limits.

Commissioner Shriberg pointed out that the information cited was released by Enbridge. The state and other organizations have requested more safety information from Enbridge, but it has released very little outside of a limited data sample. Shriberg added that Enbridge had reported having support structures on pipelines later discovered to be missing those supports. Furthermore, Enbridge has a leak in the Upper Peninsula that has not been cleaned up. Overall, the track and safety record of Enbridge is poor and their ability to self report is sub-par.

Commissioner Raiman said that the reports looked like they were up to industry standard. Raiman added that the leaks in Kalamazoo and the Upper Peninsula were pipelines that were both above ground in corrosive environments and broken at their seams. The pipeline in the straits has four times the thickness and is engineered to have no seams.

Commissioner Shriberg responded that the ability to respond in this case is of special concern compared to the Kalamazoo and Upper Peninsula cases. The coast guard is unprepared to respond to a pipeline rupture, especially in the winter with harsh conditions.

Commissioner Lenski added that, in all environmental considerations, you have to calculate the chance of something happening but also the severity of the problem if something goes wrong.

Commissioner Lenski went on to ask if there would be economic impact if an alternative method was used.

Commissioner Shriberg explained that there might be an impact to the company based on how much they are able to export, but consumers should not be impacted. There are also impacts on environmental and ecological terms if things were to go wrong.

Commissioner Appleyard asked if the oil flowing through this pipeline was the same as the one in Kalamazoo, which was heavy and would sink in the straits. Commissioner Shriberg explained that this was lighter oil that would float.

Shriberg made a motion to bring the resolution to a vote and Clevey seconded the vote

Amendment: Commissioner Shriberg made a friendly amendment to change

the age of the pipeline from 62 to 63 years in the resolution

[Yays: Kim Wolske, Mark Clevey, Wayne Appleyard, Brigit Macomber, Chip Smith, Mike Shriberg, Noah Levin, Kenneth Wadland

Abstention: Shoshannah Lenski, Charles Hookham

Nay: Stephen Raiman]

16-0723

Resolution to Recommend Restored Funding for Community-Facing Climate Action Programs

Commissioner Macomber: Restore funding for programs such as PACE, community solar, solar group buy, and other climate action programs with the ultimate goal to reduce carbon emission by 90% in 2050. The City has approved funding for two years but last year the funding didn't include financing for these programs, so \$85,000 was added, resulting in \$165,000 of total funding. This year, there is only \$80,000 (for temporary staff) but the added \$85,000 is needed if we want to continue on the path to reach our 2050 goals. She also disclosed that she works with the Ecology Center but not on these issues.

The following are questions concerning the resolution:

Commissioner Lenski asked what would be cut if the funding is not restored. She then commented that the resolution would be stronger if we could point to things that would have to be cut.

Geisler answered that it doesn't parse that out but that a memorandum could be attached to the resolution, which would go into further details.

Council Member Smith pointed out that he had prepared a budget amendment to bring back the \$85,000 back mostly in an attempt to keep funding constant until they found a way to fund climate action programs long term. He mentioned that council wanted to see a sustainability business plan to figure out what is needed.

Commissioner Macomber added that staffing situation has always been a problem and without staffing and resources, programs don't happen.

Amendment: In the second clause commissioner Raiman wanted to add "the City of Ann Arbor is not on track to achieve the goals set out in the Climate Action Plan and will be further behind if we do not continue to invest in staffing and community facing programs..."

Commissioner Macomber accepted the amendment as friendly.

Commissioner Hookham wanted to see how funding was directly tied to moving projects in the climate action plan.

Geisler said that there was an update to the city administrator on how things were going with the climate action plan. Next quarter measurements will be released on how projects have impacted GHGs. He also added that the business plan that Smith mentioned is currently at the review stage.

Commissioner Smith said that staff for its portion of funds had been working on 30 different projects. It would help to show where we are with metrics and how much have we done, and it is important to stress that it takes a lot of energy to continue with these projects.

Geisler pointed out that one of those 30 projects is STAR community index,

which can help get metrics as pertain to the climate action plan and sustainability.

Commissioner Clevey put the motion forward, seconded by Wadland.

Yays- Kim Wolske, Mark Clevey, Wayne Appleyard, Brigit Macomber, Chip Smith, Mike Shriberg, Noah Levin, Charles Hookham, Shoshannah Lenski, Kenneth Wadland, Stephen Raiman

Nays-None

Green Rental Housing Update

Geisler: We were part of a Washtenaw County grant to explore greening our rental housing stock. Ann Arbor was tasked to address energy efficiencies as it pertains to rental housing. 50% of Ann Arbor's housing stock comprises rental units, with roughly 7,000 new renters every year. Around \$50 million is spent on energy in rental housing, which is made worse with 80% of rental units being built before 1975. Some of the challenges in greening the housing units include restrictions of the state building code and the split incentive between landlords and tenants; landlords often don't pay for utilities, so they have no incentive to green their housing stock. The grant funding went towards data collection, assembling landlord advisory committees, a low income loan program, outreach and education, as well as other programs and materials: Rent rocket used crowd sourcing to inform potential renters of utility bills; HUD and USDN innovation funds were initially used for rent rocket but the program is now looking for other funding sources. The UM Graham Institute in combination with DOW fellows created a \$40,000 loan program for greening rental housing units that has spurred three different projects that included insulation, HVAC systems and more. The loans could be repaid in 3 years and had an interest rate of 2%. The City is looking at the possibility of expanding a voluntary survey that inventoried energy efficiencies during inspections. In coordination with the existing ready to roll DTE program, the City targeted and got improvements done in 98 rental units in coordination with DTE. Energy Hour, a community "meeting-in-a-box" informed people about greening their houses.

Going forward, along with continuing these programs, there are opportunities for local investment group out of Ypsilanti which looks to match local investors to interesting projects, so perhaps that can lead to crowd-sourcing future work.

Questions concerning the greening rental housing units:

Commissioner Clevey asked if DTE offered weather stripping and caulk. Geisler answered that there is more available in separate packages in home owner kits

Commissioner Wolske asked if there were formalized group buys for landlords. Geisler explained that this has yet to start.

Invited Public Speaker Irwin Weingarten comments:

DTE helped him by increasing water efficiencies since he had done most of the energy things himself. DTE also helps him with a landlord utility manager that keeps usage records of up to 18 months. He also uses EPA's Portfolio Manager to assist him. He mentioned that the rental turnover requires educating each group that comes through. Weingarten also felt that the City should set up

regular tests like blower door tests if they want landlords to comply. He also suggested that the City make it mandatory to collect utility use. He liked the energy magnets created by the City and suggested that there be more educational materials of that sort.

Commissioner Clevey asked if comfort is the biggest motivator for tenants. Weingarten said it was an important factor.

Commissioner Clevey asked if there was a premium for green rental housing. Weingarten explained that his water consumption has gone down but there is no direct economic benefit to him.

Commissioner Clevey asked if there was a green landlord association and if there was any benefit to having green certified buildings. Weingarten said that there were no green landlord associations that he was aware of. He went on to say that there was not always an increase in your rate of return for having a green building but it would lead to a better-maintained property, which is more appealing to tenants.

Commissioner Raiman asked if the utility bill was really only 2% of total costs. Weingarten answered that the number came from his own data collection

Commissioner Raiman asked if the city collected energy reports or if it was open to the public.

Weingarten explained that they just had to provide it to the tenant.

Geisler added that Boulder "Smart Regs" PROGRAM might have a public component as an example from another jurisdiction.

COMMITTEE UPDATES

Climate Action Plan

Geisler: Climate Partnership website soon to go live and will act as a central location for information on efforts across the community with a climate/sustainability tie-in.

Community Solar

Commissioner Clevey: Commissioner Smith has a solar readiness resolution that would go in front of City Council in June.

Geisler: DOE might assist with solar advisors. CEC has a final draft of an RFP for solar bulk buy-type program in the City.

Nuclear

No update.

Sustainable Funding

Attorney's office is exploring issues related to climate fee-setting in other cities and local viability.

PUBLIC INPUT

Dave Kraus: Works for Mitsubishi and serves on the Michigan Chamber of Commerce. He brought up four issues he wanted the City to consider. First, he was distressed about state legislation as it pertained to net metering. The second issue he raised was with solar easements and suggested that we look into protecting solar from shade. He mentioned that he was also a landlord and said that it was hard to incentivize renters and while he was supportive of building efficiencies into his rental unit, it is hard to do. Finally, he suggested that we consider building infrastructure for solar and EV charging during construction instead of looking at it after the buildings are built. Commissioner Clevey asked Kraus for language pertaining to solar easements. John Mirsky introduced himself as a future Commissioner and suggested a place to find language for solar easement.

ITEMS FOR NEXT AGENDA

Commissioner Macomber suggested community climate partnership could present on projects they have been doing for the last year. She also suggested an update on a Regional Transit Authority ballot initiative update. Geisler added that he was thinking about having CEC/Bonnie Bona present as well on their portion of community-facing climate work. Commissioner Macomber also suggested a status check on a number of projects that came out of a retreat for the workshop, since June's meeting is a work session.

ADJOURNMENT

Appleyard adjourned the meeting at 7:58pm

Visit www.a2energy.org for community energy information in Ann Arbor,
or
www.a2gov.org/energy to learn more about the City's Energy Programs

Regular meetings shown Live and replayed on CTN Channel 16 and at
www.a2gov.org/ctn